

On May 20, 2014, Seminole County voters will have the opportunity to cast ballots in a county-wide referendum concerning re-authorization of the One-Cent Sales Tax for County Infrastructure (“One-Cent Sales Tax”). In this election, voters will decide if the county's sales tax should be raised from 6 cents to 7 cents, for 10 years, to pay for new and improved transportation and drainage facilities; bicycle and pedestrian trails; and educational capital needs.

Although placement of this measure on the ballot was authorized by the Board of County Commissioners only this week, misinformation regarding the proposal is already circulating in the community. For the benefit of the voters in Seminole County, I’d like to clarify some of the facts surrounding the pending vote:

WHAT IT IS: If approved, the One-Cent Sales Tax will provide an additional penny of sales tax to be used for improving infrastructure across Seminole County. This extra penny is expected to generate \$60 million a year. Twenty-five percent of the proceeds will be distributed to the Seminole County School District for capital improvements to the county’s schools, and the remaining seventy-five percent would be split amongst the county and Seminole's seven cities to fund transportation, stormwater, and other physical improvements to the infrastructure systems throughout Seminole County. While space does not permit the printing of the extensive list of potential infrastructure projects, a final schedule of projects, as developed by the cities and the county, will be available to the public well in advance of the election.

WHAT IT ISN’T: The One-Cent Sales Tax is not a “mass transit tax.” Current law prohibits the use of the sales tax proceeds for the operations of SunRail or Lynx. Additionally, it may not be used for “routine maintenance,” as state law permits its use for “capital” projects only.

Additionally, the One Cent Sales Tax, unlike property taxes, is not levied against Seminole County residents and businesses only. A portion of the sales tax revenues will be paid by visitors to Seminole County, spreading the cost to construct and maintain the infrastructure to all those who benefit from it, and not just county residents and businesses.

THE COUNTY’S TRACK RECORD: Seminole County is not unfamiliar with the One-Cent Sales Tax. In 1991, and again in 2001, Seminole County voters, by a vote of 60% and 72%, respectively, approved imposition of a One-Cent Sales Tax. Between 1991 and 2011, Seminole County collected over \$750 million through the extra penny, funding 860 new capital projects, including approximately 170 miles of new and reconstructed roadways, 75 miles of sidewalks, 30 intersection improvements, mast arm signal installations, roadway drainage projects, and county-wide fiber optic installations. Additionally, the county utilized these funds to leverage over \$170 million in federal and state grant funds during this period.

WHY NOW? The extra penny in sales tax is intended to help fund the \$45 million a year the county will require over the next decade to continue providing the infrastructure services, including roadways, trails, and drainage facilities, at the level Seminole residents and businesses have come to expect. In 2012, Seminole County’s sales tax rate dropped to 6 cents after the Board of County Commissioners let the One-Cent Sales Tax sunset. At that time, the county had \$45 million in reserve revenues from the penny sales tax, and the Board of County Commissioners felt it appropriate to forgo seeking re-authorization of the tax in order to provide

its residents an opportunity for tax relief. It is expected that the county's reserve fund will drop to \$5.2 million by the beginning of the next fiscal year. Seminole County's 6 cents on the dollar sales tax rate is currently the lowest in the region.